

## **WYMAN BILL TO FACILITATE INTERDISTRICT CREDIT TRANSFERS**

On March 20, 2001 the Governing Board unanimously approved a resolution in support of Assembly Bill 1528, which would allow the interdistrict transfer of emission reduction credits with a minimum of red-tape. The Bill was introduced by Assemblyman Phil Wyman in February 2001.

Emission Reduction Credits (ERCs) – also known as air credits – are credits granted by the local air district that are created when a permitted source generates significant reductions in emissions of a regulated air contaminant. Air credits often originate from the shut-down of old, retiring equipment; retrofitting or upgrading older equipment with cleaner, less polluting technology; permanent cutbacks in production rates; changes to less polluting process designs; paving of unpaved roads or operating surfaces; and/or permanent decreases in fuel consumption brought about by more fuel-efficient technologies and equipment.

The Federal Clean Air Act requires that businesses acquire emission reduction credits if they are a pollution emission source when they begin operations in a non-attainment area. Emission reduction credits regulate how many emissions a business can produce and are directly tied to a facilities ability to expand or initiate operations. Businesses can buy these credits through a credits broker or from a business that is leaving the area. Credits can be difficult to come by in the Antelope Valley, and can create a roadblock for businesses seeking to relocate and operate in the Antelope Valley. An alternative to this dilemma is provided through the interdistrict transfer of air credits. The South Coast Air Quality Management District (SCAQMD) currently has air credits available; however, in order for a company located in the AVAPCD's jurisdiction to utilize those credits, they must seek the approval of both the AVAPCD and the SCAQMD boards, which can be both a timely and complicated process.

Assembly Bill 1528 would eliminate the requirement of seeking the approval of the upwind and downwind air districts involved. This bill would effectively wipe out the red tape associated with the acquisition of ERCs and help pave the way for businesses wishing to relocate.